

1 A bill to be entitled
 2 An act relating to the Florida Small Business Fund;
 3 creating s. 288.7045, F.S.; providing definitions;
 4 creating the fund to secure loans from participating
 5 private lending institutions for certain small
 6 businesses; prohibiting a participating private
 7 lending institution from charging a small business
 8 more than a specified rate of interest; specifying a
 9 cap on the loan amount; specifying that half of the
 10 funds be loaned to small businesses and the other half
 11 be loaned to small start-up businesses; specifying the
 12 information that must be contained in the loan
 13 application from the fund; requiring the Department of
 14 Economic Opportunity to select the participating
 15 private lending institutions and the small businesses
 16 and small start-up businesses that qualify for
 17 funding; requiring the department to conduct a one-
 18 time public awareness campaign; providing for funding;
 19 providing an effective date.

20
 21 Be It Enacted by the Legislature of the State of Florida:

22
 23 Section 1. Section 288.7045, Florida Statutes, is created
 24 to read:

25 288.7045 Florida Small Business Fund.-

26 (1) As used in this section, the term:

27 (a) "Fund" means the Florida Small Business Fund.

28 (b) "Participating private lending institution" means a

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29 private lending institution selected by the department to
30 participate in an approved venture.

31 (c) "Small business" means an existing business with an
32 estimated value of less than \$250,000.

33 (d) "Small start-up business" means a new business that is
34 started by an individual who has access to less than \$50,000 in
35 capital. However, the individual is not required to access the
36 capital to qualify for the loan.

37 (e) "Venture" means a business opportunity presented by
38 the small business or small start-up business for a loan from
39 the fund.

40 (2) The Florida Small Business Fund is created to secure
41 \$50 million in loans by participating private lending
42 institutions to small businesses and small start-up businesses
43 by July 1, 2014.

44 (a) A participating private lending institution may not
45 charge more than 2 percent interest per annum per loan for any
46 loan secured by the fund.

47 (b) Each loan must be less than or equal to \$50,000,
48 depending on the demonstrated needs of the venture.

49 (c) Of all loans secured by the fund, half of the loans
50 shall be made to small businesses and the other half shall be
51 made to small start-up businesses.

52 (d) To initiate the loan process, each small business and
53 small start-up business shall file an application with the
54 department, which must contain the following information:

55 1. The name and address of each natural person who is a
56 direct or indirect owner;

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57 2. The nature of the business venture, including a
58 description of the type of new business or expansion, the
59 business location, the proposed start date, and the anticipated
60 number of new employees;

61 3. A statement that the business is a certified minority
62 business enterprise as defined in s. 288.703; and

63 4. The amount of the loan requested and a description of
64 the purpose for the requested amount.

65 (e) The department shall select:

66 1. The participating private lending institutions;

67 2. The small businesses and small start-up businesses that
68 qualify for the fund, after considering:

69 a. The merits of the ventures based upon information
70 provided in the applications; and

71 b. The economic impact to the state.

72
73 The department may consider a goal of 20-percent participation
74 by certified minority business enterprises.

75 (f) On or before December 31, 2013, the department may
76 spend up to \$500,000 from the fund to conduct a one-time public-
77 notice campaign to create public awareness of the program.

78 (3) The department may adopt rules and forms to implement
79 this section.

80 Section 2. This act shall take effect July 1, 2013.